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State Opens First E-85 Fueling Facility, Supports Renewable Fuels
Governor Ehrlich says more State fleet vehicles will run on alternative fuels

BALTIMORE (August 7, 2006) -- Governor Robert L. Ehrlich, Jr. joined U.S. Department of Energy Secretary Samuel W. Bodman today in celebrating the opening of the first State-owned E-85 ethanol fueling facility at the State Office Center in Baltimore. The Governor also announced he would introduce an initiative in the 2007 legislative session to provide tax credits to gas stations that add or convert to E-85 capability, providing Maryland commuters more incentive to switch to cleaner fuels.

"As the State purchases new vehicles for its fleet, more and more of the cars, trucks and vans will run on alternative fuels," said Governor Ehrlich. "With this new E-85 facility, and others planned for Annapolis and College Park, we are working to make our State fleet less dependant on fossil fuels. In addition, by encouraging gas stations to convert to E-85 capability, we will promote the use of cleaner fuels by Maryland commuters, increase the viability of our farms, and keep our air and water clean."

The Governor has already demonstrated his support for renewable energy by:

- Endorsing the 25x'25 renewable energy initiative, stating Maryland will work to ensure that 25 percent of the nation's energy will come from domestic, renewable resources by 2025;
- Committing to purchase 10 percent of the State's electricity from Tier 1 renewable resources;
- Signing the Renewable Energy Portfolio Standard of 2004, which requires that a specified percentage of the electricity sold in Maryland is produced by renewable resources;
- Signing the Renewable Fuels Promotion Act of 2005, which provides financial incentives for the production of ethanol and biodiesel in Maryland;
- Supporting the State Highway Administration's use of biodiesel and signing the State Fleet Biodiesel Fuel Usage Act of 2006;
- Signing the Clean Energy Incentive Act of 2006, which provides financial incentives for renewably energy production located in Maryland;
- Joining the Governors' Ethanol Coalition.

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The Governor plans to increase the production and consumption of ethanol and biodiesel by:

- Committing to make B-5 biodiesel and E-10 ethanol available at all state-owned refueling facilities by 2007 for use in state vehicles, increasing blend levels to B-20 and E-85 by 2012;
- Adopting a policy to require transition from conventional gasoline and diesel at state-owned refueling facilities where compatible alternative fuels are available;
- Creating a Biofuels Infrastructure Grant Program at the Energy Administration;
- Providing loan guarantees for farmer investment in Maryland based bio-fuel production facilities;
- Researching the potential for the production of ethanol from cellulosic feedstocks and from hull-less barley.

E-85 is a blend of fuel that contains 85% ethanol and 15% gasoline. Ethanol is a renewable fuel made primarily by distilling grains such as corn, wheat and barley. E-85 also burns cleaner than petroleum gasoline, and is thus better for the environment. Because it can be produced domestically, E-85 decreases our dependence on foreign sources of energy. This is significant because the U.S. now imports approximately two-thirds of the petroleum it uses. At over \$70 per barrel, the U.S. is now spending approximately \$300 billion per year for imported petroleum; about \$200 billion of this is for the transportation sector alone. That is, the U.S. is spending more than \$3.5 billion each week to fuel the economies of other countries when we could be fueling our own by investing in domestic fuels like ethanol.

"Reducing our nation's dependence on foreign sources of oil has never been a more pressing issue, and greater use of E-85 and other renewable fuels can help us do that. I applaud Governor Ehrlich for his commitment to bring more renewable energy to Maryland," Secretary Bodman said. "The Energy Policy Act has had a significant impact on the spread of ethanol as a fuel for the United States and today's announcement of \$2 billion in loan guarantees will help spur additional investment in novel techniques that could bring more renewable energy to market soon."

The E-85 pump installed at Baltimore State Center is the first to be installed within the Statewide Automated Fuel Dispensing System. Installation was funded by the Maryland Energy Administration, the U. S. Department of Energy's Clean Cities program and the Maryland Grain Producers Utilization Board. A second fueling site has been funded at University of Maryland, College Park, and two sites in Annapolis are being considered for future funding.

The Maryland Department of General Services oversees the Statewide Automated Fuel Dispensing and Management System with 94 refueling stations located in Baltimore City and every Maryland county. Since its June 1991 inception, the program has saved the State a total of \$6.71 million.

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